



December 10, 2014

Item No. 8

AUTHORIZATION TO EXECUTE AN AGREEMENT TO ENTER INTO A HOUSING ASSISTANCE PAYMENTS CONTRACT FOR 65TH INFANTRY REGIMENT VETERANS HOUSING

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners (Board) approve the attached Resolution authorizing the Chief Executive Officer (CEO) or his designee to 1.) execute an Agreement to enter into a Housing Assistance Payments Contract (AHAP) for 65th Infantry Regiment Veterans Housing; 2.) execute a Housing Assistance Payments Contract (HAP) for 65th Infantry Regiment Veterans Housing and 3.) execute all other documents as may be necessary or appropriate to implement the foregoing.

CORPORATE GOAL

The proposed contract supports Plan Forward Goal #1: coordinating public and private investment to develop healthy, vibrant communities.

This contract will result in more affordable housing opportunities for individuals by providing Property Rental Assistance (PRA) for 48 apartments as detailed below.

FUNDING: Housing Choice Voucher Program (HCV) through U.S. Department of Housing and Urban Development's (HUD) Veterans Affairs Supportive Housing (VASH)

PROPERTY SUMMARY

Development Name	Community / Ward / Alderman	Developer / Owner	Target Population	VASH Units	Total Units
65th Infantry Regiment Veterans Housing	West Town/ 26 th Ward/ Roberto Maldonado	Hispanic Housing Development Corporation	Homeless Veterans & Their Families	48	49

CONTRACT SUMMARY

Development Name	Funding	Contract Term	Contract Type	Initial Estimated Contract	Total Estimated Contract	Application Received
65th Infantry Regiment Veterans Housing	HCV – HUD Veterans Affairs Supportive Housing Funding	30 Years	AHAP/HAP Contract	\$343,150/year	\$13,921,000 (30 years)	March 2014

Initial contract rents will be determined by market comparables and fair market rents applicable at the time the HAP contract is executed. All rent determinations will comply with federal regulations and Chicago Housing Authority (CHA) policy.

Proposed Development: 65th Infantry Regiment Veterans Housing

- New construction of a four-story elevator building containing 49 units in the West Town community area consisting of 24 one-bedroom, 13 two-bedroom and 12 three-bedroom units. All units will be VASH-assisted and for Veterans with the exception of one two-bedroom unit for a live-in property manager.
- In February 2014, HUD announced the availability of a set-aside of approximately \$7 million in HUD-VASH funding that will support approximately 1,000 units of project-based voucher (PBV) assistance. CHA submitted an application for 65th Infantry and was awarded 48 project-based VASH vouchers in August 2014.
- To retain the award, the developer, Hispanic Housing Development Corporation, an Illinois not-for-profit corporation (HHDC), must execute an AHAP and start construction by February 6, 2015.
- New construction of a 4-story elevator building in the West Town community area containing 49 total units, of which 48 units will be assisted with project-based VASH vouchers. The remaining unit will be for an onsite manager.
- Development will utilize a number of green features and amenities that will lower utility bills and help create a healthy living environment, including Energy Star rated appliances, low VOC materials, and improved insulation and air sealing.
- Building amenities include storage room allocating space for each unit, laundry room, lobby (staffed from 9:00 am to 5:00 pm), a live-in property manager, a community room, a fitness/exercise area, business center with computers, and an outdoor patio with a residents' garden. Additional amenities include secured bicycle parking, an equipped sports court, garden plots and on-site car sharing through I-Go.
- Supportive services will be provided by Norwegian American Hospital (NAH) along with Jesse Brown VA Medical Center (JBVAMC). Provided services include job training, legal assistance, peer support groups, educational programming, computer training, addiction counseling and mental health support.
- The development will use Housing First approach where chronically homeless or vulnerable homeless individuals and families will be provided immediate access to housing and then offered the supportive services that may be needed to foster long term stability and prevent a return to homelessness.

Developer Background: Hispanic Housing Development Corporation

- HHDC, established in 1976 is a not-for-profit community development corporation, which develops, builds, and manages affordable housing in Chicago-metro communities with sizable Latino and minority residents.
- Since its inception, HHDC has developed over 3,700 units of affordable housing for elderly and family residents, with an asset value of \$335 million. In addition to affordable rental housing, HHDC has created affordable for-sale housing—both single-family and condominium—and commercial development that generate employment opportunities in neighborhoods.

Waiting List / Occupancy Process

JBVAMC will screen homeless veterans for clinical eligibility. Those applicants will then be referred to CHA to determine HUD-VASH eligibility. CHA will refer homeless Veterans from its wait list to JBVAMC for consideration.

Conclusion

The Board action recommended in this item complies in all material respects with all applicable CHA board policies and all applicable federal procurement laws.

The Chief Housing Officer concurs with the recommendation to execute an AHAP and HAP contract for 65th Infantry Regiment Veterans Housing.

The CEO/President recommends the approval to execute an AHAP and HAP contract for 65th Infantry Regiment Veterans Housing.

RESOLUTION NO. 2014-CHA-124

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated December 10, 2014 requesting authorization to execute an AHAP and HAP contract for 65th Infantry Regiment Veterans Housing;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute an AHAP and HAP contract for 65th Infantry Regiment Veterans Housing.



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